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IN THE DISTRICT COURT OF SHAWNEE COUNTY, KANSAS Division 7

STATE OF KANSAS, ex rel. DEREK SCHMIDT, Attorney General,)
Plaintiff,)
v.) Case No. 2015-CV-955
COURT ORDERED PROGRAMS, INC. a/k/a))
COURT ORDERED CLASSES)
Defendant.))
(Pursuant to K.S.A. Chapter 60)	

JOURNAL ENTRY OF CONSENT JUDGMENT

NOW on this day, the parties' Journal Entry of Consent Judgment comes before the Court pursuant to K.S.A. 50-632(b). The Plaintiff, State of Kansas ex rel. Derek Schmidt, Attorney General, appears by and through Meghan D. Lowry, Assistant Attorney General. Defendant appears by and through counsel Diane L. Bellquist.

WHEREUPON the parties advise the Court that they have stipulated and agreed to the following:

PARTIES, JURISDICTION AND VENUE

1. Derek Schmidt is the duly elected, qualified and acting Attorney General for the State of Kansas.

- 2. The Attorney General's authority to bring this action is derived from the statutory and common law of the State of Kansas, specifically the Kansas Consumer Protection Act, K.S.A. 50-623, et seq.
- 3. Defendant Court Ordered Programs, Inc., also known as Court Ordered Classes ("Defendant") is a California corporation with a principal place of business at 25350 Magic Mountain Parkway, Suite 300, Valencia, California 91355.
 - 4. Defendant is not registered with the Kansas Secretary of State.
- 5. All references to Defendant herein include acts performed individually, in concert, or by or through employees, directors, officers, owners, members, managers, agents, assigns, and all other persons or entities acting in concert with them or on their behalf, including their predecessors, subsidiaries, affiliates, and successors.
- 6. Defendant stipulates and admits that the Court has subject matter jurisdiction over this case and *in personam* jurisdiction over the parties pursuant to K.S.A. 50-638(a).
- 7. Defendant stipulates and admits that venue is proper in this Court pursuant to K.S.A. 50-638(b).

PLAINTIFF'S ALLEGATIONS

- 8. Defendant is a is a "supplier" in Kansas, as that term is defined in K.S.A. 50-624(1), and a "person," as that term is defined in K.S.A. 75-7d13(a)(5).
- 9. Defendant is engaged in "consumer transactions" in Kansas, as that term is defined by K.S.A. 50-624(c), with "consumers," as that term is defined by K.S.A. 50-624(b).
- 10. Defendant maintains and operates www.courtorderedclasses.com for the purpose of advertising, selling and providing Defendant's courses, which include a "batterer's intervention" program.

- 11. At all times relevant to Plaintiff's Petition, and while operating as a batterer's intervention program provider, Defendant continued to provide Batterers' Intervention Program courses after the establishment of Batterer's Intervention Program Certification act, K.S.A. 75-7d01 *et seq.*, without being certified in the state of Kansas.
- 12. At all times relevant to Plaintiff's Petition, and while operating as a batterer's intervention program provider, Defendant engaged in acts and practices in violation of the Kansas Consumer Protection Act, K.S.A. 50-623 *et seq.*, which acts and practices include, but are not limited to:
 - a. During the course of engaging in consumer transactions in Kansas, knowingly, or with reason to know, making misrepresentations regarding the Defendant's sponsorship, approval status, affiliation or connection, in violation of K.S.A. 50-626(b)(1)(B); and
 - b. During the course of engaging in consumer transactions in Kansas, the Defendant willfully used, and displayed on its website, a written representation of an exaggeration, falsehood, innuendo or ambiguity as to a material fact; specifically, that the Defendant's batterers intervention program was "certified" in the state of Kansas, in violation of K.S.A. 50-626(b)(2); and
- 13. Pursuant to K.S.A. 50-632(b), this Consent Judgment is not an admission by Defendant of a violation of the KCPA. Notwithstanding, Defendant agrees to this Consent Judgment without trial or adjudication of any issue of fact or law and solely for the purpose of settlement.

SPECIFIC PERFORMANCE

- 14. Defendant agrees to refrain from engaging in those acts and practices set forth in paragraph (11), specifically, violations of the Batterers Intervention Program Certification Act, K.S.A. 75-7d01 *et seq.*, and agrees that engaging in such acts or similar acts after the date of this Consent Judgment shall constitute a violation of this Consent Judgment.
 - 15. Defendant agrees to comply with all Kansas laws, statutes, rules and regulations

relating to batterers intervention program services in Kansas, specifically, but not limited to, the Batterers Intervention Program Certification Act, K.S.A. 75-7d01 *et seq*.

- 16. Defendant agrees to refrain from engaging in those acts and practices set forth in paragraph (12), specifically, violations of the Kansas Consumer Protection Act, K.S.A. 50-623 et seq., and agrees that engaging in such acts or similar acts after the date of this Consent Judgment shall constitute a violation of this Consent Judgment.
- 17. Defendant agrees to comply with all Kansas laws, statutes, rules and regulations relating to consumer transactions in Kansas, specifically, but not limited to, the Kansas Consumer Protection Act, K.S.A. 50-623, *et seq*.
- 18. Defendant agrees to cooperate with the Office of the Kansas Attorney General in investigating and remedying any complaints filed with the Consumer Protection Division.
- 19. Specifically, Defendant agrees to respond in full to any supplier response request issued by the Office of the Attorney General within fourteen (14) days of receipt of the request.
- 20. Defendant agrees that entering into, forming, organizing or reorganizing into any partnership, corporation, sole proprietorship or any other legal structures, for the purpose of avoiding compliance with the terms of this Consent Judgment will constitute a violation of this Consent Judgment.
- 21. Defendant agrees to make available and/or disclose the provisions of this Consent Judgment to each officer, director, member, manager, employee, agent, independent contractor and representative having responsibilities with respect to the subject matter of this Consent Judgment within ten (10) days of signing the Consent Judgment or within fifteen (15) days after any person assumes such position or responsibilities.
 - 22. Defendant agrees that the terms of this Consent Judgment apply to acts

performed individually, in concert, or by or through its employees, agents, representatives, affiliates, assignees and successors.

23. Plaintiff and Defendant agree that, this Consent Judgment is not an admission by Defendant nor determination by Plaintiff of any wrongdoing pursuant to K.S.A. 75-7d06(a) and 75-7d06(b). Plaintiff and Defendant agree that, upon satisfaction of the monetary relief included herein, if Defendant is otherwise compliant with the terms, then this Consent Judgment shall not prevent or otherwise prohibit Defendant from applying for or obtaining certification as a batterers intervention program provider with the Office of the Kansas Attorney General.

MONETARY RELIEF

- 24. Defendant agrees to pay the Office of the Kansas Attorney General \$3,500.00 in investigative fees.
- 25. Defendant agrees to pay the aforementioned fees to the Office of the Kansas Attorney General in equal installments of \$1,750.00, to be paid on or before the first day of the month beginning on June 1, 2017, with the final installment due on or before July 15, 2017, until the total amount of \$3,500.00 is paid in full.
- 26. Payment shall be made in the form of a cashier's check, money order or other certifiable funds payable to the Office of the Kansas Attorney General, mailed to:

Meghan D. Lowry, Assistant Attorney General Consumer Protection/Antitrust Division Office of the Kansas Attorney General 120 SW 10th Ave, 2nd Floor Topeka, Kansas 66612

27. Defendant understands that pursuant to 11 U.S.C. § 523(a)(2)(A) and § 523(a)(7), and due to the nature of the conduct underlying this settlement, any unpaid penalties and/or fees shall not be dischargeable in any bankruptcy proceeding commenced after the entry of this Consent Judgment.

OTHER PROVISIONS

- 28. This Consent Judgment supersedes the temporary restraining order previously issued by this Court such that the temporary restraining order is effectively vacated and nullified.
- 29. For purposes of monitoring compliance with this Consent Judgment, the Attorney General may use all lawful means of investigation without prior notice to Defendant. Nothing in this Consent Judgment limits the Attorney General's lawful use of compulsory process, pursuant to K.S.A. 50-631.
- 30. Unless otherwise directed by Plaintiff in writing, all submissions to Plaintiff pursuant to this Consent Judgment must be emailed to cprotect@ag.ks.gov or sent by commercial courier to:

Meghan D. Lowry, Assistant Attorney General Consumer Protection/Antitrust Division Office of the Kansas Attorney General 120 SW 10th Ave, 2nd Floor Topeka, Kansas 66612

- 31. Jurisdiction is retained by this Court for the purpose of enabling any of the parties to this Consent Judgment to apply to this Court at any time for such further orders and directions as may be necessary or appropriate for the modification of any of the provisions hereof, for the enforcement of compliance herewith, and for the punishment of violations thereof.
- 32. If any portion, provision, or part of this Consent Judgment is held to be invalid, unenforceable, or void for any reason whatsoever, that portion shall be severed from the remainder and shall not affect the validity or enforceability of the remaining provisions, portions or parts.
 - 33. Compliance with this Consent Judgment does not relieve the Defendant of any

obligation imposed by applicable federal, state, or local law, nor shall the Attorney General be precluded from taking appropriate legal action to enforce civil or criminal statutes under his jurisdiction.

- 34. The parties understand that this Consent Judgment shall not be construed as an approval of or sanction by the Attorney General of the business practices of the Defendant nor shall the Defendant represent the decree as such an approval. The parties further understand that any failure by the State of Kansas or by the Attorney General to take any action in response to any information submitted pursuant to the Consent Judgment shall not be construed as an approval of or sanction of any representations, acts or practices indicated by such information, nor shall it preclude action thereon at a later date.
- 35. This Consent Judgment represents the entire agreement between Plaintiff and Defendant, and there are no representations, agreements, arrangements, or understandings, oral or written, between the parties relating to the subject matter of this Consent Judgment which are not fully expressed herein or attached hereto.
- 36. Nothing in this Consent Judgment shall be construed to create, waive or limit any private right of action.
- 37. The Defendant's representative, signing this Journal Entry of Consent Judgment, warrants that the representative has been duly authorized by the Defendant for whom the representative appears to be acting to enter and execute this Journal Entry of Consent Judgment on behalf of the Defendant.

IT IS THEREFORE ORDERED, ADJUDGED AND DECREED that the stipulation and agreement of the parties contained herein are adopted and approved as the findings of fact

and conclusions of law of the Court and any monies owed hereunder by Defendant immediately become due by the deadlines agreed above.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that judgment is entered against Defendant in favor of Plaintiff in the amount of \$3,500.00.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that pursuant to the Kansas Consumer Protection Act, and the provisions of K.S.A. 50-632(b), the court hereby approves the terms of the Consent Judgment and adopts the same as the Order of the Court.

IT IS SO ORDERED.

THIS ORDER IS EFFECTIVE AS OF THE DATE AND TIME SHOWN ON THE ELECTRONIC FILING STAMP.

JUDGE OF THE DISTRICT COURT

Respectfully Submitted,

DEREK SCHMIDT, #17781

KANSAS ATTORNEY GENERAL

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